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REPORT OF THE COMMISSION ON ITS TWENTY-SIXTH SESSION

Draft report

Addendum

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Chapter ___. INDUSTRIAL STATISTICS

World Programme of Industrial Statistics

1. The Commission considered item 8 of its agenda at its 437th and 438th meetings, on 4 and 5 February 1991. It had before it the report of the Secretary-General on the World Programme of Industrial Statistics (E/CN.3/1991/18).

2. The Commission expressed support for the industrial statistics programme; such a programme was necessary regardless of whether the industrial sector was growing or declining relative to other sectors of the economy. The Commission stressed the importance of the role of industrial statistics in the context of all economic statistics, including the System of National Accounts (SNA) and pointed out that industrial data were an essential basis for national accounts estimations and other applications. The importance of international comparability among the national programmes was also stressed.

3. The Commission noted that country participation in the World Programme of Industrial Statistics had improved slightly between 1973 and 1983. However, many members expressed disappointment that the pace of growth had not been faster. The Commission expressed concern about the lack of information on why systems of industrial statistics had not been established more widely and expressed the opinion that the subject deserved analysis. It noted with regret that the

statistical results of the 1983 World Programme had not yet been published. Several members gave their views on the dimensions of the problem, including the general reduction of resources for statistics. Industrial statistics often suffered because of the lower priority assigned to it by national statistical offices. In addition, important political changes had affected the availability of resources and changed the structure or orientation of the statistical programme.

4. In considering the overall strategy for the next World Programme, the Commission reviewed the respective roles of bench-mark inquiries and annual surveys. It stressed that the production of timely and reliable annual statistical series was the primary concern of the Programme. The series were needed for examining the industrial sector and for various macro-economic analyses and monitoring. The Commission noted that a major role of bench-mark inquiries, like population and agricultural censuses, was to help improve the quality and coverage of annual data through providing a universe for sampling and a framework for interpretation of the data.

5. The Commission, however, was of the view that in certain cases the emphasis that had continued to be placed on the need for bench-mark enumerations might have contributed to the lack of progress. Several members mentioned that the bench-mark enumeration was an extremely demanding type of survey in both developed and developing countries. At the same time, the creation and maintenance of business registers was described as an expensive alternative that was difficult to sustain. Nevertheless, the Commission recognized that industrial statistics could not be interpreted correctly unless the universe to which the data referred had been well defined.

6. Several members of the Commission described a number of strategies that were currently used to carry out an economic survey programme on a step-by-step basis. It was pointed out that such partial approaches not only offered a short cut to statistical information on the most important industries but also provided a solid basis for capability-building for economic surveys. In view of those considerations, the Commission suggested that a technical report be prepared as part of the documentation for the 1993 World Programme. The report would further examine various strategies for capturing reliable and timely information on industrial activity and discuss the relative merits of the methods and approaches used.

7. The Commission agreed that 1993 was the most appropriate reference year, at least as a label for the next round, although it was recognized that some countries would need to use other years in order to co-ordinate the timing of their industrial enumerations with their other inquiries and statistical activities. Some members expressed a preference for 1994 or some other year. Several members pointed out that there were advantages in fixed periodicity within national statistical programmes. Accordingly, the Commission endorsed 1993 as the reference year for the next World Programme, but agreed there should be some flexibility at the national level, as required.

8. The Commission was pleased to note that the conceptual and practical topics for the next World Programme of Industrial Statistics, contained in section II of

the report of the Secretary-General, incorporated comments and suggestions made by many organizations, including the regional commissions, the International Labour Organisation (ILO), the International Monetary Fund (IMF), the United Nations Industrial Development Organization (UNIDO), the General Agreement on Tariffs and Trade (GATT) and the African Development Bank. Nevertheless, it was considered that the full list would place too heavy a burden on national statistical offices. The Commission expressed the view that the framework for the next World Programme should be kept very simple to help encourage wider country participation.

9. Many members, in their consideration of the conceptual topics, were of the view that resources should not be diverted from higher priority and more basic issues to those topics. The Commission noted that the greater the burden imposed on the training workshops in terms of topics to be covered in preparation for the World Programme, the less likely would be the success of the next round. Several members commented on the relative merits of the inclusion of financial or environmental data, the linking of industrial inquiries with SNA, the treatment of household and small-scale industry and the informal sector, non-industrial activities of industrial establishments and the expansion of the scope of surveys to include economic activities other than those of industry. The Commission noted the importance of those items among the statistical priorities of individual countries. Accordingly, the modular approach in the form of working papers, proposed for the preparation of documentation to support the next World Programme, was recognized as a useful way of accommodating individual views and priorities with regard to certain topics, resources permitting.

10. Among the various practical topics discussed, the Commission considered that the change-over from revision 2 to revision 3 of the International Standard Industrial Classification of All Economic Activities (ISIC) was the most important and should be assigned the highest priority. Some members expressed interest in the links between the various international commodity and activity classifications, namely the Central Product Classification (CPC), ISIC, the Standard International Trade Classification (SITC) and the Harmonized System. It was emphasized that CPC, which was specially created to be compatible with ISIC Rev.3 and the Harmonized System, should serve as the basic product classification. A few members singled out other practical topics, including a master list of typical main inputs, outputs and waste materials, creation and maintenance of business registers and the use of sampling in industrial inquiries.

11. The Commission recognized the great importance of technical co-operation and emphasized that it should be provided in a timely manner, particularly because some countries had had to suspend participation in the 1983 World Programme owing to resource problems. The Commission noted that the vast majority of developing countries participating in the World Programme were also represented at one of the regional training workshops. Accordingly, the Commission was pleased to note that the workshops had been described as a priority activity and expressed the wish that they could again play an important role. It was pointed out that, since no workshop had been held in the region of the Economic Commission for Latin America and the Caribbean in connection with the 1983 World Programme, there would undoubtedly be great interest in participating in such workshops for the coming round. Some members emphasized that regional training workshops should be held in

developing countries that had already carried out a bench-mark industrial inquiry. The point was also made that those workshops provided an opportunity to build up the capacity for a system of industrial statistics. The task of mobilizing resources for industrial statistics programmes would be facilitated if their link to the implementation of SNA were stressed.

12. The Commission noted with satisfaction that assistance for technical co-operation projects had already been received from UNIDO, the United States Bureau of the Census and the Overseas Development Agency. However, the Commission called attention to the need for additional resources. It was noted that the Economic and Social Commission for Asia and the Pacific had assigned priority to that area in its work programme for the next biennium.

Action taken by the Commission

13. The Commission:

(a) Endorsed the continuation of the World Programme of Industrial Statistics;

(b) Noted with disappointment that the results of the 1983 World Programme showed no significant improvement over those of the 1973 Programme, but emphasized the need to be optimistic;

(c) Stressed the need to distinguish clearly between survey ends and means when reviewing the various survey options;

(d) Recommended that the International Recommendations for Industrial Statistics 1/ should remain the core document for the next World Programme;

(e) Urged that all efforts be made to avoid new topics for the next round, especially if the necessary resources for their implementation are not available;

(f) Assigned first priority to the conversion of data from ISIC Rev.2 to ISIC Rev.3 and stressed that the other topics should be kept very simple so as not to divert resources from that central task;

(g) Endorsed 1993 as the reference year for the next World Programme, although it recognized that there would of necessity be some variation, depending on other national priorities;

(h) Requested the Statistical Office of the United Nations Secretariat to prepare a technical report as part of the documentation for the 1993 World Programme, setting out the various strategies available to deal with problems of capturing reliable and timely information on industrial activity and taking into account the strengths and weaknesses of such instruments as bench-mark inquiries and various kinds of annual surveys, including those covering all or part of the industrial sector, all or some of the size categories of industrial units and all or a part of the country;

(i) Emphasized the importance of technical co-operation for improving the World Programme of Industrial Statistics in the context of national statistical capabilities and requested multilateral and bilateral donors to provide support for such technical co-operation as part of an overall effort to improve economic statistics.

Notes

1/ Statistical Papers, Series M, No. 48, Rev.1 (United Nations publication, Sales No. E.83.XVII.8).